## SBX 7-7 Process Water U5 Workgroup Meeting #1 July 7, 2010

#### Kent Frame

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# Authority; statute SBx7 7 Chapter 4 directs DWR, among other things, to;

- **Emergency Rulemaking**
- Regular Rulemaking (Public Process & hearing)
- 10608.20.(i) (1) The department shall adopt regulations for implementation of the provisions relating to process water in accordance with subdivision (*l*) of Section 10608.12, subdivision (e) of Section 10608.24, and subdivision (d) of Section 10608.26.
- (2) The initial adoption of a regulation authorized by this subdivision is deemed to address an emergency

# Provisions of the Statute to be addressed cont;

#### Defines Process Water

(*I*) "Process water" means water used for producing a product or product content or water used for research and development, including, but not limited to, continuous manufacturing processes, water used for testing and maintaining equipment used in producing a product or product content, and water used in combined heat and power facilities used in producing a product or product content. Process water does not mean incidental water uses not related to the production of a product or product content, including, but not limited to, water used for restrooms, landscaping, air conditioning, heating, kitchens, and laundry



# Provisions of the Statute to be addressed cont;

- > What is a, "substantial percentage of water use"?
- > What is a, "disproportionate burden"?

10608.24.(e) When developing the urban water use target pursuant to Section 10608.20, an urban retail water supplier that has a substantial percentage of industrial water use in its service area, may exclude process water from the calculation of gross water use to avoid a disproportionate burden on another customer sector



# Provisions of the Statute to be addressed cont;

- > There are certain provisions that can not be required
- Local agency may provide technical assistance to existing customers who use process water
- What about new customers?
- Provisions regarding emergency drought declaration

10608.26.(d) (1) Any ordinance or resolution adopted by an urban retail water supplier after the effective date of this section shall not require existing customers as of the effective date of this section, to undertake changes in product formulation, operations, or equipment that would reduce process water use, but may provide technical assistance and financial incentives to those customers to implement efficiency measures for process water. This section shall not limit an ordinance or resolution adopted pursuant to a declaration of drought emergency by an urban retail water supplier.



#### Timeline

- June, begin working sessions
- July-August; write first draft
- October, submit emergency rule making
- 10 days later, submit regular rulemaking
- December, end 45 day comment period
- Respond to comments
- April, Submit Final Statement of Reasons
- May 2011, adopt regulation



### Proposed Work Group Meetings

July 7th - provide input for first draft

August 3<sup>rd</sup> - review and comment on regulation

August 18 - review and comment on regulation to be submitted.

### Questions?



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### Definitions cont.

- Commercial water user means a water user that provides or distributes a product or service.
- Distribution system means a water conveyance system that delivers water to a customer and the turn out is either raw or potable water.
- Industrial water user means water that is primarily a manufacturer or processor of materials as defined by the NAICS code sectors 32 to 33, inclusive, or an entity that is a water user primarily engaged in research and development.

### Quantification & Verification

- Measured annual volumes
- Production of a product
- Separated out from incidental use
- Separated supplies
- Cooling towers